



C A L I F O R N I A D E P A R T M E N T O F

Mental Health

1600 9TH Street, Sacramento, CA 95814
(916) 654-2309

DATE: August 29, 2011

DMH INFORMATION NOTICE NO: 11-10

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: HIPAA-COMPLIANT TRANSACTION STANDARDS TO
CHANGE EFFECTIVE JANUARY 1, 2012 FOR THE
SHORT-DOYLE / MEDI-CAL (SD/MC) SYSTEM

Purpose

The purpose of this Information Notice is to provide additional notification and information regarding changes to the Short-Doyle / Medi-Cal (SD/MC) claiming system for compliance with the Health Insurance Portability and Accountability Act (HIPAA) 5010 transaction standards, effective January 1, 2012.

Background

On January 16, 2009, the federal Department of Health and Human Services announced that updated HIPAA compliant versions of the electronic transactions will be required for use by all health plans, providers and clearinghouses that conduct business electronically by January 1, 2012. Therefore, the SD/MC claiming system will be modified to comply with the federal 5010 transaction standard by January 1, 2012.

Impact

The billing system changes for 5010 transaction compliance impact all local mental health plans and providers currently submitting SD/MC service claims. Please forward copies of this information notice to your county HIPAA Coordinator, Medi-Cal Specialty Mental Health Services program and fiscal staff, and SD/MC Information Technology Staff. For further details about this change, enclosed is a technical overview of the 5010 federal requirements and a high-level SD/MC 5010 implementation timeline.

SD/MC 5010 Project Communication and Assistance

To assist counties and their vendors in becoming 5010 compliant, DMH, the Department of Health Care Services (DHCS), and the Department of Alcohol and Drug Programs (DADP) held an in-person statewide 5010 training on May 20, 2011 and a 5010 Webinar on June 9, 2011. To better assess and coordinate the statewide SD/MC 5010 project implementation, beginning in August 2011, the State will request the counties complete a brief, periodic web-based 5010 status survey. For more information about the SD/MC 5010 project, please refer to the department's web page at:

<http://www.dmh.ca.gov/MedCCC/HIPAA-5010.asp>

The SD/MC 5010 website will continue to be updated as information becomes available. Also, DMH, DADP and DHCS will continue to host the weekly statewide SD/MC claiming system conference calls, in which 5010 update information is shared and county and claiming system vendor staff may ask questions. Please contact the DMH Medi-Cal Claims Customer Service Office at 916-651-3283 or MedCCC@DMH.CA.GOV with any questions about this notice.

Sincerely,

Original signed by

CLIFF ALLENBY

Acting Director

Enclosure

cc: Dina Kokkos-Gonzales, Chief, Waiver Analysis Branch, DHCS
Christopher Cruz, Deputy Director/Chief Information Officer, Information
Technology Services Division, DHCS